

ASSEMBLY BILL

No. 1836

Introduced by Assembly Member Furutani

February 12, 2010

An act to amend Section 6390 of the Revenue and Taxation Code, relating to taxation.

LEGISLATIVE COUNSEL'S DIGEST

AB 1836, as introduced, Furutani. Sales tax: exemption: rentals.

The Sales and Use Tax Law imposes a tax on retailers measured by the gross receipts from the sale of tangible personal property sold at retail in this state, or on the storage, use, or other consumption in this state of tangible personal property purchased from a retailer for storage, use, or other consumption in this state. Existing law exempts from the computation of the amount of the sales tax the rentals payable under a lease of tangible personal property, under specified conditions.

This bill would make technical, nonsubstantive changes to those provisions.

Vote: majority. Appropriation: no. Fiscal committee: no.
State-mandated local program: no.

The people of the State of California do enact as follows:

1 SECTION 1. Section 6390 of the Revenue and Taxation Code
2 is amended to read:
3 6390. There are exempted from the computation of the amount
4 of the sales tax the rentals payable under a lease of tangible
5 personal property ~~(a) when such rentals in either of the following~~
6 cases: ~~are~~

- 1 *(a) When the rentals are* required to be included in the measure
- 2 of the use tax ~~or (b) when such property.~~
- 3 *(b) When the property* is situated outside this state.